

PUBLIC TESTIMONY

To: Energy & Technology Committee, Connecticut General Assembly

From: Lorenzo Wyatt, President, Home Comfort Practice, Inc.

Date: March 1, 2018

Subject: Statement against Senate Bill No. 9

I thank the Committee for allowing and considering my testimony.

Home Comfort Practice, Inc. ("HCP") is a certified Minority Business Enterprise located in Stratford, CT:

- HCP currently employs 70 Connecticut residents. In 2017, HCP paid \$3,929,181 in wages to its employees, who contributed approximately \$216,105 in State income taxes.
- HCP paid \$149,286 to ConnectiCare for group health benefits for its employees in 2017.
- Since 2014, HCP has invested \$1,966,066 to promote free-of-charge, energy efficiency services to underserved, low-income communities.
- Service history:
 - HCP is the largest provider of Home Energy Solutions-Income Eligible ("HES-IE")
 weatherization, insulation, and energy saving services in Connecticut. HCP dispatches
 12 energy audit crews, nine insulation upgrade crews, and 12 community outreach
 representatives. Ninety-four percent (94%) of HCP's service population has been
 low-income residents.
 - Since 2013, HCP has provided weatherization services through HES-IE/HES to 13,728 households, 94% of which are low-income. HCP has insulated 4,198 households.
 - Since 2013, HCP estimates that it has achieved annual energy savings of \$673 per household. HCP's mostly low-income customer base benefited from \$9,283,000 of reduced energy bills in the first year after weatherization and insulation services. On a lifetime savings basis of 15 years, HCP's customers will realize approximately \$138,584,160 of energy savings.
 - O HCP is proud to have served nearly 12,904 households with incomes under \$44,059, and whose electric and heating bills consume up to 25% of disposable income. By reducing their cost of home comfort during extreme heat and cold seasons, HCP has improved customers' quality of life, as well as health outcomes. HCP also has identified and assisted with the correction of gas leaks, high carbon monoxide, mold, asbestos, and other pollutants that cause sickness and increase healthcare costs for low-income households and Connecticut tax payers.

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- Objections to Senate Bill No. 9
 - As a rate payer, I object to paying increased charges on my electric bills, especially when proceeds from those charges may not be used as promised by the Legislature. New language in the bill sets forth new electric rate payer charges: (1) "Electric distribution companies shall collect a conservation adjustment mechanism that ensures the plan is fully funded by collecting an amount that is not more than the sum of six mills per kilowatt hour of electricity sold..." and (2) "On and after July 1, 2019, and until June 30, 2025, the Public Utilities Regulatory Authority shall assess or cause to be assessed a charge of not less than two mills per kilowatt hour charged to each end use customer of electric services in this state which shall be deposited into the Clean Energy Fund..." I believe other rate payers also will object to paying up to eight mills per kilowatt hour on their electric bills.
 - The bill lacks any language to prevent the Legislature from diverting existing -- and new -- rate payer contributions to the Energy Efficiency Fund. For any rate payer who knows about the "Combined Public Benefits Charge," she expects that those funds will be used to help her and other rate payers reduce their electric and heating bills by funding energy efficiency upgrades. The conservation adjustment mechanism may present administrative "road blocks" to delay future diversions. However, in the absence of clear, strong language that protects energy efficiency funds, rate payer contributions remain vulnerable. Please amend the bill to protect energy efficiency funding from future diversions.
 - The bill makes no provisions to restore \$13,000,000 of funding for low-income, income-eligible services that was cut after the Legislature's diversion of rate payer contributions to the Energy Efficiency Fund. The raid of energy efficiency funding has been especially harmful to low-income and middle income households that heat with oil or propane. Approximately, 6,000 oil and propane heated households will not reduce their heating and electric bills because there is no funding for weatherization, insulation, and window upgrades.
 - The bill fails to clearly define how the financial contributions of rate payers, especially contributions of low-income households, will be used to reduce their heating and electric bills by weatherizing, insulating, and upgrading the energy efficiency of their homes. How will DEEP build upon the successful track record of service and energy savings that Home Comfort Practice and other energy efficiency contractors have delivered to Connecticut's low-income households?